

Collections Maximization – Client Success Study

Client Background:

2 Free Standing Imaging Centers in large Mid-Atlantic metro area

Situation Summary:

The managing partner of this enterprise requested MIS perform a general overview of the practice. Procedure volumes were on the rise, but cash receipts were not keeping pace. The business had a long term relationship with a nationally recognized billing concern. Feedback from the billing concern led the managing partner to believe the problems were internal to his operations – billing information was not captured and sent in a timely/consistent manner.

MIS Findings

MIS examined current workflow, fee schedules, managed care agreements and interviewed center staff. This information included a review of the electronic interface utilized to deliver required billing information. MIS findings:

- a. Poor(often hostile) communication between center staff and billing company personnel
- b. Electronic interface not functioning in efficient manner; email/fax efforts to supply missing information was a daily hurdle
- c. Billing and Collection reports lacked detail and consistency
- d. Days in AR in mid-50's; Gross Collection Rate in mid-20's
- e. Client unable to credibly forecast cash flow
- f. 5 day charge lag (between signed report and charge entry)
- g. Mistrust between center staff and billing company personnel

MIS Solution

MIS developed new billing solution for client. MIS converted from old billing system to new one within a 30 day period.

Results

Within 90 days:

- Days in AR fell to 39 days.
- Credible GCR was established and met
- Center Staff and Billing personnel work in a collaborative manner
- Internal Cash Flow targets exceeded
- Client posted highest collection month on record in 1st month
- Excellent relations between center staff and new billing company personnel